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12 EVEREST NATIONAL INSURANCE COMPANY

13 **UNITED STATES DISTRICT COURT**
14 **CENTRAL DISTRICT OF CALIFORNIA, EASTERN DIVISION**

15 EVEREST NATIONAL
16 INSURANCE COMPANY, a
17 Delaware Corporation,

18 Plaintiff,

19 v.

20 KENDRA ALEMAN, an individual;
21 KMK COMMERCIAL LINES
22 AGENCY, INC., a California
23 Corporation; VARNA TRUCKING,
24 INC., a California Corporation,

25 Defendants.

Case No. 5:18-cv-01429-CAS(SPx)

[PROPOSED] JUDGMENT

Complaint filed: July 5, 2018
Trial Date: None set.

26 Pursuant to this Court's order granting Plaintiff Everest National
27 Insurance Company's ("Everest") Motion for Entry of a Default Judgment
28 against Defendants KMK Commercial Lines Agency, Inc. ("KMK") and
Kendra Aleman ("Aleman") on May 6, 2019, this Court hereby enters
judgment in favor of Everest as follows:

1 On July 5, 2018, Everest filed its Complaint seeking: (1) rescission of
2 the 2016-2017 and 2017-2018 Policies issued to Aleman; (2) a declaration
3 that Everest has no duty to defend or indemnify the *Alvarez, et al. v. Varna*
4 *Trucking, Inc., et al.*, Superior Court of the State of California for the
5 County of Los Angeles, Case No. BC658477 (the “Alvarez Lawsuit”); and
6 (3) reimbursement of amounts Everest paid defending KMK and Aleman
7 against the Alvarez Lawsuit. (ECF 1, Compl. ¶ 1.)

8 KMK and Aleman failed to respond to the Complaint, and Everest
9 obtained an Entry of Clerk’s Default against KMK and Aleman on
10 November 15, 2018. (ECF 23.) Upon entry of default, the factual
11 allegations of the Complaint are taken as true. *TeleVideo Sys., Inc. v.*
12 *Heidenthal*, 826 F.2d 915, 917-18 (9th Cir. 1987).

13 On March 28, 2019, Everest filed its Motion for Default Judgment.
14 (ECF 25.) On May 6, 2019, Everest’s Motion was granted as to all causes
15 of action asserted by Everest against KMK and Aleman.

16 Judgment is now entered in favor of Everest and against KMK and
17 Aleman as to each and every cause of action asserted by Everest in its
18 Complaint as follows:

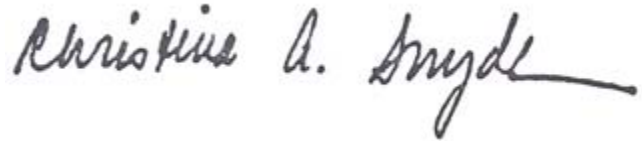
- 19
- 20 • With respect to the Complaint’s First Cause of Action, based on
21 Aleman’s material misrepresentations in the application for the
22 2016-2017 Policy, the 2016-2017 Policy is rescinded and void *ab*
initio.
 - 23 • With respect to the Complaint’s Second Cause of Action, based
24 on Aleman’s material misrepresentations in the application for the
25 2017-2018 Policy, the 2017-2018 Policy is rescinded and void *ab*
initio.
 - 26 • With respect to the Complaint’s Third Cause of Action, based on
27 the declaration of rescission of the Policy, Everest never had any
28 duty to defend or indemnify KMK and Aleman in the Alvarez
Lawsuit.

- With respect to the Complaint's Fourth Cause of Action, based on the declaration of rescission of the Policy, KMK and/or Aleman are required to pay Everest \$29,615.10 for reimbursement of the amounts Everest paid under reservation of rights in defense of the Alvarez Lawsuit.

Everest shall recover its allowable costs in an amount to be determined.

IT IS SO ORDERED.

Dated: May 15, 2019



Hon. Christine A. Snyder
United States District Judge